

SENATE BILL NO. 318—SENATOR SHAFFER (BY REQUEST)

MARCH 17, 2003

Referred to Committee on Natural Resources

SUMMARY—Makes various changes concerning connection of certain property containing well to public water system. (BDR 48-770)

FISCAL NOTE: Effect on Local Government: Yes.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to water; requiring the owner of a public water system to pay fair market value for a certificate of appropriation for water from a well if the property of the holder of the certificate of appropriation is connected to the public water system and the holder of the certificate is required to transfer the certificate to the public water system; prohibiting the owner of a public water system from increasing certain fees relating to the connection of the property of a holder of a certificate of appropriation to the public water system to pay for the cost of purchasing the certificate of appropriation; requiring the owner of a public water system to permit certain fees to be paid in installments; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 534 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 and 3 of this act.

3 **Sec. 2.** *“Public water system” has the meaning ascribed to it*
4 *in NRS 445A.840.*

5 **Sec. 3. 1.** *If the owner of a public water system requires the*
6 *holder of a certificate of appropriation for water from a well*
7 *issued pursuant to NRS 533.425 to transfer the certificate of*



1 *appropriation to the owner of the public water system upon the*
2 *connection of the property of the holder of the certificate on which*
3 *the well is located to the public water system, the owner of the*
4 *public water system:*

5 *(a) Shall pay the holder of the certificate of appropriation the*
6 *fair market value of the certificate of appropriation; and*

7 *(b) May not, to compensate the owner of the public water*
8 *system for costs it incurs pursuant to paragraph (a), increase the*
9 *connection fees or fees for capital improvements that may be*
10 *necessary for the connection charged to the holder of the*
11 *certificate of appropriation.*

12 *2. If the property on which a well is located of an owner of a*
13 *domestic well, a holder of a certificate of appropriation for water*
14 *from a well issued pursuant to NRS 533.425 or a holder of a*
15 *temporary permit for the appropriation of ground water issued*
16 *pursuant to subsection 3 of NRS 534.120 is connected to a public*
17 *water system, the owner of the public water system shall permit the*
18 *owner of the property to pay any connection fees or fees for capital*
19 *improvements that may be necessary for the connection in*
20 *installments over a period of at least 5 years, with a rate of interest*
21 *charged on the unpaid balance of such fees of not more than 2*
22 *percent per year.*

23 **Sec. 4.** NRS 534.010 is hereby amended to read as follows:

24 534.010 1. As used in this chapter, unless the context
25 otherwise requires, the words and terms defined in NRS 534.0105 to
26 534.0175, inclusive, *and section 2 of this act* have the meanings
27 ascribed to them in those sections.

28 2. As used in this chapter, the terms “underground water” and
29 “ground water” are synonymous.

30 **Sec. 5.** NRS 534.190 is hereby amended to read as follows:

31 534.190 Any person violating any of the provisions of NRS
32 534.010 to 534.180, inclusive, *and sections 2 and 3 of this act* shall
33 be guilty of a misdemeanor.

34 **Sec. 6.** NRS 534.350 is hereby amended to read as follows:

35 534.350 1. The State Engineer shall adopt regulations
36 establishing a program that allows a public water system to receive
37 credits, as provided in this section, for the addition of new
38 customers to the system. The program must be limited to public
39 water systems in areas:

40 (a) Designated as ground water basins by the State Engineer
41 pursuant to the provisions of NRS 534.030; and

42 (b) In which the State Engineer has denied one or more
43 applications for any municipal uses of ground water.



- 1 2. Before the State Engineer adopts any regulations pursuant to
2 this section regarding any particular ground water basin, he shall
3 hold a public hearing:
4 (a) Within the basin to which the regulations will apply if
5 adequate facilities to hold a hearing are available within that basin;
6 or
7 (b) In all other cases, within the county where the major portion
8 of that basin lies,
9 to take testimony from any interested persons regarding the
10 proposed regulations.
11 3. Upon adoption of the regulations required by this section
12 regarding a particular ground water basin, a public water system
13 which provides service in that basin is entitled to receive a credit for
14 each customer who is added to the system after the adoption of
15 those regulations and:
16 (a) Voluntarily ceases to draw water from a domestic well
17 located within that basin; or
18 (b) Is the owner of a lot or other parcel of land, other than land
19 used or intended solely for use as a location for a water well, which:
20 (1) Is located within that basin;
21 (2) Was established as a separate lot or parcel before July 1,
22 1993;
23 (3) Was approved by a local governing body or planning
24 commission for service by an individual domestic well before
25 July 1, 1993; and
26 (4) Is subject to a written agreement which was voluntarily
27 entered into by the owner with the public water system pursuant to
28 which the owner agrees not to drill a domestic well on the land and
29 the public water system agrees that it will provide water service to
30 the land. Any such agreement must be acknowledged and recorded
31 in the same manner as conveyances affecting real property are
32 required to be acknowledged and recorded pursuant to chapter 111
33 of NRS.
34 4. The State Engineer may require a new customer, who
35 voluntarily ceases to draw water from a domestic well as provided
36 in paragraph (a) of subsection 3, to plug that well.
37 5. A credit granted pursuant to this section:
38 (a) Must be sufficient to enable the public water system to add
39 one service connection for a single-family dwelling to the system,
40 except that the credit may not exceed the increase in water
41 consumption attributable to the additional service connection or
42 1,800 gallons per day, whichever is less.
43 (b) May not be converted to an appropriative water right.
44 6. This section does not:
45 (a) Require a public water system to extend its service area.



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1 (b) Authorize any increase in the total amount of ground water
2 pumped in a ground water basin.

3 (c) Affect any rights of an owner of a domestic well who does
4 not voluntarily bring himself within the provisions of this section.

5 7. As used in this section ~~the~~

6 ~~(a) "Domestic"~~, *"domestic"* well" means a well used for culinary
7 and household purposes in a single-family dwelling, including the
8 watering of a garden, lawn and domestic animals and where the
9 draught does not exceed 1,800 gallons per day.

10 ~~[(b) "Public water system" has the meaning ascribed to it in~~
11 ~~NRS 445A.840.]~~

